FEDERAL HEALTH CARE LEGISLATION

Patient Protection and Affordable Care Act (PPACA)

- The PPACA became law on March 23, 2010. Soon after, Florida and 19 other states joined together to challenge the constitutionality of the law.
- Many major provisions of PPACA don't take effect until 2014. The federal government has not yet created all the rules necessary to implement the act. The full effect of the PPACA on Florida is not yet clear.
- PPACA relies on the states to implement and enforce many of its provisions. The Legislature will make many decisions about whether and how to implement each provision.
- Several issues are apparent at this time:
 - The Florida Medicaid program will nearly double, from covering about 3 million people to more than 5 million. Federal funds will cover some of the additional cost in the beginning, but the cost will shift to the state over time.
 - Each state must have a health insurance exchange where individuals can purchase coverage that complies with federal requirements. Florida must choose whether to create the Florida exchange itself, or let the federal government create it.
 - The PPACA assumes that state insurance regulators will enforce the new federal insurance regulations. Florida law does not contain those provisions, and the Florida Office of Insurance Regulation does not have authority to enforce them. Florida must decide whether and how it will enforce the federal requirements.
 - Certain health plans are "grandfathered" meaning they will not have to comply with all of the requirements of the PPACA. Florida's state employee insurance plan is likely not a "grandfathered" plan, so will have to comply with the new benefits standards and other requirements.

Florida performs four types of Health and Family Services functions:

Florida **PROVIDES** health and human services, **PURCHASES** health and human services, **PROTECTS** the public through regulatory and welfare functions, and **PROMOTES** public health improvement.

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Florida House of Representatives

HEALTH AND FAMILY SERVICES



Fall 2010

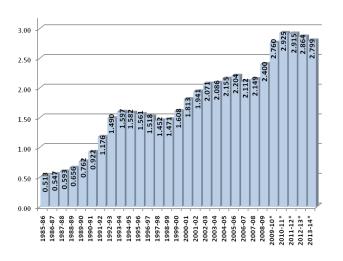
MEDICAID

Medicaid pays for health care services for lowincome and disabled Floridians. Medicaid:

- Covers 3 million people in Fiscal Year 2010- 2011.
- Covers 27% of Florida's children.
- Pays for over 50% of Florida childbirths.
- Pays for 63% of nursing home days.
- Delivers services through more than 80,000 individual provider contracts and 23 managed care plans.
- Is jointly funded by the state and federal governments.
- Pays for services with fee-for-service payments to individual providers, or with capitated payments to at-risk managed care plans.

A Medicaid Reform program is currently implemented in five counties (Broward, Baker, Clay, Nassau and Duval)

Medicaid Average Monthly Caseload In Millions

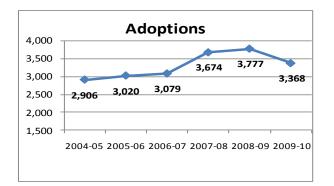


HEALTH AND FAMILY SERVICES

CHILD WELFARE

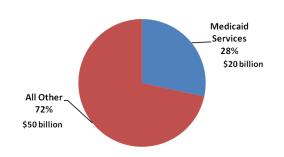
Florida protects children by investigating and acting on reports of abuse, neglect or exploitation.

- The Department of Children and Families provides child welfare services through contracts with 20 Community Based Care agencies throughout Florida. Approximately 35,000 children are served each year.
- The state investigated 158,195 child abuse or neglect allegations from hotline calls in 2009.
- The Department of Health partners with DCF in providing child protection team services to children suspected of abuse or neglect.
- Florida finalized 3,368 adoptions in FY 2009-2010, or about 19% of the children in foster care. This number represents a 16% annual increase since 2005.

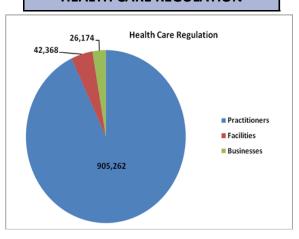


MEDICAID SPENDING

Medicaid and Total Appropriations FY 2010-11



HEALTH CARE REGULATION



Florida's health and human services agencies regulate health care facilities, professionals and businesses.

- The Department of Health, through its 22 Boards and 6 Councils, licenses and regulates more than 40 different health care professionals and 34 types of establishments – over 900,000 licensees.
- The Agency for Health Care Administration licenses and regulates 30 different health care providers, including hospitals, hospices, nursing homes, and home health agencies.
- The Department of Children and Families licenses and regulates child care facilities, small and large family day care centers, group homes for foster children, and domestic violence centers
- The Agency for Persons with Disabilities licenses and regulates 1,683 residential homes which serve 7,634 persons with developmental disabilities.